



MELICK, PORTER & SHEA, LLP
COUNSELLORS AT LAW

RICHARD J. SHEA
 ROBERT P. POWERS
 JOHN F. ROONEY, III *(CT, DC & NH)
 WILLIAM D. CHAPMAN
 MICHAEL J. MAZURCZAK *(NY & WI)
 ROBERT T. TREAT
 WILLIAM L. KEVILLE, JR.
 MICHAEL R. BYRNE
 ANDRE A. SANSCOUY
 AMY E. GOGANIAN
 ROBERT R. HAMEL, JR.
 ROBERT W. HEALY
 JENNIFER B. HARDY
 ALLEN J. MCCARTHY
 ANGELA L. LACKARD
 MAUREEN E. LANE *(NH)
 ADAM M. GUTIN *(RI)
 T. DOS URBANSKI *(RI)
 MEGAN E. KURES
 MATTHEW GRYGORCZEWCZ
 KERRY D. FLORIO
 JESSICA M. FARRELLY *(FL)
 DEBRA I. LERNER *(DC & TX)
 JOSEPH M. ALDEN *(NH & MD)
 ALEXANDRA CLARK
 JEREMY Y. WELTMAN
 ERIN J.M. ALARCON *(NH)
 J. PAUL VANCE JR. (CT ONLY)
 ERIN K. DESMARais *(NH)
 EVAN C. OUELLETTE
 DENNIS M. LINDGREN
 COLIN K. O'BRIEN
 DOUGLAS T. RADIGAN

OF COUNSEL
 THOMAS W. PORTER, JR.
 DONNA D. CONVICER (CT ONLY)

*ALSO ADMITTED

—
 28 STATE STREET
 BOSTON, MA 02109
 (617) 523-6200
 FAX (617) 523-8130

369 SOUTH MAIN STREET
 PROVIDENCE, RI 02903
 (401) 941-0909
 FAX (401) 941-6269

77 CENTRAL AVENUE
 WATERBURY, CT 06702
 (203) 596-0500
 FAX (203) 596-0040

1087 ELM STREET, SUITE 302
 MANCHESTER, NH 03101
 (603) 627-4278

65 MAIN STREET
 PLYMOUTH, MA 02360
 (508) 746-5976

—
 MELICKLAW.COM

May 16, 2006

BY E-FILE AND REGULAR MAIL

Mr. Dennis O'Leary
 Clerk to the Honorable Mark L. Wolf
 United States District Court
 Moakley U.S. Courthouse
 1 Courthouse Way
 Boston, MA 02210

Re: *ABC Mortgage Corporation et al., v. Scottsdale Insurance Co.*
Civil Action No.: 04-10816

Dear Mr. O'Leary:

Pursuant to the Court's Order dated March 3, 2006, I write on behalf of attorney George Rockas, counsel for Scottsdale Insurance Company, and myself, counsel for ABC Mortgage Corporation et al., to inform the Court that the parties are actively discussing the settlement of this case. We anticipate this settlement will be finalized prior to the status conference scheduled for June 7, 2006 and will report to the Court accordingly. We believe this letter fulfills our obligation to report to the Court by May 19, 2006 regarding settlement. If you would like additional information, please contact me.

Thank you for your attention to this matter.

Very truly yours,

Kerry D. Florio

KDF/klc

cc: George Rockas, Esq.